

EXHIBIT E
Rules of Engagement

[ATTACHED]

Strictly Confidential

Rules of Engagement for Nonprofit Conversion

These Rules of Engagement (as may be amended in accordance with Section 5(h) below, these "Rules") are entered into as of April 2, 2018, by and among (a) Ashford University, LLC, a California limited liability company ("Ashford"); (b) each voting trustee serving on Ashford's Board of Trustees (each, a "Voting Trustee"); (c) Dr. Craig Swenson, the Chief Executive Officer of Ashford University and a non-voting *ex-officio* member of Ashford's Board ("Ashford's CEO") (Ashford's CEO and the Voting Trustees, each, a "Trustee" and collectively, the "Ashford Board"); and (d) Bridgepoint Education, Inc., a Delaware corporation and the sole member of Ashford ("BPI"). The parties to these Rules are sometimes referred to herein as the "Parties" and, individually, a "Party".

Recitals

A. BPI has expressed a desire to enter into confidential negotiations relating to a potential restructuring transaction in which the Title IV-participating, post-secondary educational institution operated by Ashford ("Ashford University") would be converted (whether by statutory conversion, merger, or otherwise) from a "for-profit" to a "private, Section 501(c)(3) tax-exempt, nonprofit" institution that would be recognized as such by the U.S. Internal Revenue Service (the "IRS"), the U.S. Department of Education, the California Bureau for Private Postsecondary Education, the Western Association of Schools and Colleges Senior College and University Commission, and all other applicable regulators (collectively, the "Required Regulatory Approvals").

B. The Parties intend to evaluate and develop a proposal for the Nonprofit Conversion (as defined below) only if Ashford and BPI each determines for itself that the conversion is in its own respective best interests and if the Parties determine that the conversion would satisfy the following requirements: (i) would serve the best interests of Ashford University and its students; (ii) would be fair and reasonable to Ashford, (iii) would create the best opportunity for the continued long-term success of Ashford University and its mission of providing high-quality, accessible, affordable, and innovative, educational programs that meet the diverse needs of individuals pursuing advancement in their lives, professions and communities, and (iv) would comply with all legal requirements applicable to the Parties (including, without limitation, compliance by Ashford University as a nonprofit institution) with all legal requirements applicable to (y) nonprofit public benefit corporations under California law and (z) tax-exempt organizations with status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

C. Presently BPI is contemplating, among other things, structuring the Nonprofit Conversion (as defined below) as a conversion under California law of Ashford to a California stock corporation followed immediately by the amendment of the articles of incorporation of the corporation so that Ashford would become a California nonprofit public benefit corporation that would then either (i) itself seek tax-exempt status under Section 501(c)(3) of the Code, or (ii) merge into a newly formed California nonprofit public benefit corporation that has been granted tax-exempt status under Section 501(c)(3) of the Code. Whichever path is chosen, the foregoing steps would be effectuated pursuant to a Plan of Conversion ("Plan of Conversion") to be negotiated by Ashford and BPI pursuant to which Ashford's legal existence and ownership of Ashford University would continue by operation of law with the California nonprofit public benefit corporation that ultimately results from the foregoing conversions and, if applicable, merger ("Ashford NFP"). Under the Plan of Conversion, (x) BPI would be entitled to receive payment in an amount not in excess of fair market value for its equity ownership in Ashford in exchange for BPI's relinquishment of such equity ownership as part of the restructuring transaction, and (y) BPI and Ashford NFP would enter into an 'arm's length' master services agreement under which BPI would provide certain support services, as allowed under the WSCUC Agreements with Unaccredited Entities Policy and Guide, to Ashford University under the ownership of Ashford NFP following consummation of the Nonprofit Conversion (the "Services Agreement" and, together with the Plan of Conversion and any other agreements to be entered into in connection with either the Services Agreement or the Plan of Conversion, collectively, the "Transaction Agreements") (the transactions contemplated by the Transaction Agreements collectively, the "Nonprofit Conversion").

D. In accordance with pertinent post-secondary educational institution rules applicable to the operation of Ashford University, the current governance of Ashford University is independent, separate and apart from BPI. The Parties agree that preserving Ashford's Independence (as defined below) and the independence of its governing board before, during, and after the Nonprofit Conversion is of paramount importance. Before the Nonprofit Conversion, Ashford's Board will continue as the governing board of Ashford University. After the Nonprofit Conversion, the board of trustees of Ashford NFP (the "Ashford NFP's Board") will serve as the governing board of Ashford University. The purpose of these Rules is to ensure that the members of Ashford's Board can continue in that capacity before the Nonprofit Conversion and that they can serve on Ashford NFP's Board after the Nonprofit Conversion, without conflict of interest with respect to the Nonprofit Conversion or BPI at any time and while preserving their independence and ability to act solely in the best interests of Ashford University (whether through Ashford or Ashford NFP) before, during and after the Nonprofit Conversion. The Parties intend that BPI and its board of directors, and not Ashford or the Ashford Board, would be solely and exclusively responsible for considering and acting in, and may freely consider and act in, the best interests of BPI and its shareholders in connection with the Nonprofit Conversion.

E. To ensure the Independence of Ashford's Board and Ashford NFP's Board, the continued successful operation of Ashford University and to avoid conflicts of interest and limit the appearance of conflicts of interests, the Parties desire to set forth certain roles and responsibilities of the Parties. For purposes of these Rules, a person has "**Independence**" and is considered "**Independent**" if the person (a) has no direct contractual or employment interest in Ashford or with BPI or any person or entity controlling, controlled by or under common control with Ashford or BPI (excluding service on Ashford's Board and committees thereof); (b) does not own or exercise voting control over any equity securities of BPI or Ashford; (c) does not have any direct or indirect contractual, employment, personal or familial financial interest in Ashford University, Ashford or BPI (excluding service on Ashford's Board and committees thereof); and (d) is not compensated as an employee or other contracted party by Ashford or BPI (excluding service on Ashford's Board).

F. The Parties therefore agree to strictly follow these Rules prior to the completion of the Nonprofit Conversion ("**Closing**").

Agreement

NOW, THEREFORE, in consideration of the foregoing definitions and recitals (which are hereby incorporated into these Rules), and the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Representations and Agreements of Ashford and Ashford's Board.

(a) **Independence of Trustees.** Based on the absence of any reserve powers or other rights, and consistent with the duties imposed on the operations of Ashford University as a post-secondary education institution, the Ashford Board has determined that, to their actual knowledge and considering, among other things, factual information provided by BPI, each Voting Trustee is Independent. Each Voting Trustee hereby further represents and certifies to BPI and Ashford that, as of the date of these Rules, and giving full effect to these Rules (including, without limitation, **Section 2**), he or she is, and will at all times prior to Closing remain, Independent and free to act based solely on his or her judgment as to the best interests of Ashford University and its students. If any Party becomes aware of any fact, event or circumstance that calls into question the Independence of any Voting Trustee, such Party shall, within one business day, provide written notice thereof to BPI and Ashford.

(i) **Geoffroy Consulting Agreement.** The Parties acknowledge that they are aware of the existence and terms of the Consulting Service Agreement between BPI and Dr. Gregory L. Geoffroy ("Geoffroy"), a Voting Trustee, dated November 5, 2012, as currently extended through November 5, 2018 (the "**Geoffroy Consulting Agreement**"), which Geoffroy Consulting Agreement was terminated by Geoffroy and BPI effective as of February 28, 2018. After careful consideration, in light of

the Geoffroy Consulting Agreement's termination, and based on, among other things, factual information provided by BPI, the Ashford Board has concluded that the Geoffroy Consulting Agreement does not compromise Geoffroy's Independence or constitute a conflict of interest with respect to the Nonprofit Conversion, including, without limitation, for purposes of Section 7.11 of Ashford's Eighth Amended and Restated Operating Agreement effective January 1, 2014 ("Ashford's Operating Agreement").

(ii) **BPI Appointees.** The Parties acknowledge that they are aware that the following Voting Trustees were appointed to Ashford's Board by BPI pursuant to Section 5.2 of Ashford's Operating Agreement (collectively, the "BPI Appointees"): Geoffroy, Dr. Merle W. Harris, Dr. Craig W. Linebaugh, Cheryl Ann Oldham, Dr. Geri Hockfield Malandra and Colonel Paul Aguirre. After careful consideration of the matters described in subclauses (a) through (d) of Recital E, and based on, among other things, factual information provided by BPI, the Ashford Board has concluded that the fact that the BPI Appointees were designated by BPI does not compromise their Independence or constitute a conflict of interest with respect to the Nonprofit Conversion, including, without limitation, for purposes of Section 7.11 of Ashford's Operating Agreement.

(iii) **Board Fees.** The Parties acknowledge that they are aware that all of the Voting Trustees currently receive de minimis stipends for their service on Ashford's Board and committees, which have been historically paid by BPI on Ashford's behalf at the following rates: \$2,500 annually to each Voting Trustee, with an additional \$1,000 annually to each Voting Trustee who attends each of four regular board meetings, an additional \$500 annually to each Voting Trustee who chairs a board committee, and an additional \$1,500 annually to the board chair. After careful consideration, and based on, among other things, factual information provided by BPI, the Ashford Board has concluded that the fact that the Voting Trustees have received stipends for their service on Ashford's Board from BPI on Ashford's behalf: (y) does not compromise their Independence or constitute a conflict of interest with respect to the Nonprofit Conversion, including, without limitation, for purposes of Section 7.11 of Ashford's Operating Agreement; and (z) complies with WSCUC Governing Board Policy requirements, including that such stipends must be modest and not substantial enough to provide incentive to serve or maintain a position on Ashford's Board.

(iv) **Affirmation of Independence.** Based on this **Section 1(a)**, each Voting Trustee hereby affirms that, to his or her actual knowledge, each Voting Trustee is Independent from Ashford and BPI and is free from any material financial interest in the Nonprofit Conversion.

(b) **Operations of Ashford University.** Prior to Closing, Ashford's Board, the committees thereof (including the Ashford Special Committee, as defined below) and Ashford's CEO shall (i) continue to direct and manage Ashford with respect to all matters within their respective purviews (including any acquisitions and/or mergers pre-Closing that are not conditioned on the Nonprofit Conversion) in furtherance of its mission and the best interests of Ashford University and the students it serves, and (ii) to the extent they are not recused from negotiations, deliberations and/or votes regarding the Nonprofit Conversion pursuant to **Sections 1(c) and 1(d)**, conduct all such negotiations, deliberations and votes relating to the Nonprofit Conversion on behalf of Ashford based solely on his or her judgment as to the best interest of Ashford University and its students (and not the interests of BPI or any other person or entity).

(c) **Recusal of BPI Appointees.** Out of an abundance of caution and notwithstanding the Parties' affirmation in **Section 1(a)(iv)** that all BPI Appointees are Independent, each BPI Appointee hereby recuses himself or herself from all negotiations, deliberations and votes relating to the Nonprofit Conversion; provided, however, that, so long as the following activities do not result in any BPI Appointee exerting undue influence over (in a manner that deprives the Ashford Special Committee and Ashford's Board of their own free will and judgment), voting on, or making any determinations regarding Ashford's strategies and goals in negotiating with BPI or proposed financial terms being negotiated between Ashford and BPI:

(i) the Ashford Special Committee and Ashford's Board may, in their sole discretion, seek and access expertise of the BPI Appointees to the extent that either deems necessary or

appropriate to assist the Ashford Special Committee or Ashford's Board in performing their duties and making their determinations regarding the Nonprofit Conversion; and

(ii) the BPI Appointees may, upon the request or with the acquiescence of the Ashford Special Committee or Ashford's Board:

(A) answer questions from, provide feedback, analysis, and opinions to, and otherwise carry out specific requests of the Ashford Special Committee or Ashford's Board regarding the Nonprofit Conversion, including, without limitation, regarding specific Nonprofit Conversion terms and the general rationale, guiding principles, priorities, goals, hopes, and concerns for the Nonprofit Conversion;

(B) be advised by the Ashford Special Committee, Ashford's Board, other committees thereof and/or Ashford's executives from time to time about the Nonprofit Conversion generally, including, without limitation, the general rationale, guiding principles, priorities, goals, and concerns for the Nonprofit Conversion, the proposed structure of the Nonprofit Conversion, the status of the Nonprofit Conversion (including the status of negotiations with BPI), and the manner in which Ashford University will operate after Closing;

(C) if necessary or advisable with respect to obtaining any Required Regulatory Approvals (as determined by the Ashford Special Committee in its discretion), participate in discussions regarding publicly-disclosed aspects of the Nonprofit Conversion with the relevant regulators;

(D) receive copies of, and provide feedback and comments to the Ashford Special Committee and Ashford Board regarding, the materials provided by the Ashford Special Committee under **Section 1(e)** and such other materials (including, without limitation, draft Transaction Agreements, supporting materials, and excerpts thereof) as the Ashford Special Committee or Ashford Board deems necessary or advisable for purposes of enabling the BPI Appointees to carry out any of the activities permitted by this **Section 1(c)**;

(E) to the extent determined to be necessary or appropriate in order to obtain U.S. Department of Education approval or any other Required Regulatory Approvals, participate and vote in any All Trustee Deliberation and Vote (as defined below); and

(F) attend and participate in the relevant portions of meetings of the Ashford Special Committee, Ashford's Board and the other committees thereof solely for the purpose of engaging in the activities permitted by this **Section 1(c)**.

For the avoidance of doubt, nothing in this Agreement shall in any way restrict or limit any BPI Appointee from fully participating prior to the Closing as a Voting Trustee in any matter that either relates to the operation and governance of the University (whether before or after the Closing) or is otherwise unrelated to the Nonprofit Conversion, so long as, in each case, such participation does not result in such BPI Appointee exerting undue influence over (in a manner that deprives the Ashford Special Committee and Ashford's Board of their own free will and judgment), voting on, or making any determination regarding Ashford's or Ashford NFP's relationship with, or compensation of, BPI after the Closing.

(d) **Recusal of Ashford's CEO.** The Parties acknowledge that they are aware that Ashford's CEO currently owns certain BPI stock options and restricted stock. Out of an abundance of caution Ashford's CEO hereby recuses himself from all negotiations and deliberations relating to the Nonprofit Conversion; provided, however, that, so long as the following activities do not result in any Ashford's CEO exerting undue influence over (in a manner that deprives the Ashford Special Committee and Ashford's Board of their own free will and judgment) or making any determinations regarding Ashford's strategies and goals in negotiating with BPI or proposed financial terms being negotiated between Ashford and BPI:

(i) the Ashford Special Committee and Ashford's Board may, in their sole discretion, seek and access expertise of Ashford's CEO to the extent that either deems necessary or appropriate to

assist the Ashford Special Committee or Ashford's Board in performing their duties and making their determinations regarding the Nonprofit Conversion; and

(ii) Ashford's CEO may, upon the request or with the acquiescence of the Ashford Special Committee or Ashford's Board:

(A) answer questions from, provide feedback, analysis, and opinions to, and otherwise carry out specific requests of the Ashford Special Committee or Ashford's Board regarding the Nonprofit Conversion, including, without limitation, regarding specific Nonprofit Conversion terms and the general rationale, guiding principles, priorities, goals, hopes, and concerns for the Nonprofit Conversion;

(B) be advised by the Ashford Special Committee, Ashford's Board and/or other committees thereof from time to time about the Nonprofit Conversion generally, including, without limitation, the general rationale, guiding principles, priorities, goals, and concerns for the Nonprofit Conversion, the proposed structure of the Nonprofit Conversion, the status of the Nonprofit Conversion (including the status of negotiations with BPI), and the manner in which Ashford University will operate after Closing;

(C) if necessary or advisable with respect to obtaining any Required Regulatory Approvals (as determined by the Ashford Special Committee in its discretion), participate in discussions regarding publicly-disclosed aspects of the Nonprofit Conversion with the relevant regulators;

(D) receive copies of, and provide feedback and comments to the Ashford Special Committee and Ashford Board regarding, the materials provided by the Ashford Special Committee under **Section 1(e)** and such other materials (including, without limitation, draft Transaction Agreements, supporting materials, and excerpts thereof) as the Ashford Special Committee or Ashford Board deems necessary or advisable for purposes of enabling Ashford's CEO to carry out any of the activities permitted by this **Section 1(d)**; and

(E) attend and participate in the relevant portions of meetings of the Ashford Special Committee, Ashford's Board and the other committees thereof solely for the purpose of engaging in the activities permitted by this **Section 1(d)**.

For the avoidance of doubt, nothing in this Agreement shall in any way restrict or limit Ashford's CEO from fully participating prior to the Closing as a Trustee and Ashford's CEO in any matter that either relates to the operation and governance of the University (whether before or after the Closing) or is otherwise unrelated to the Nonprofit Conversion, so long as, in each case, such participation does not result in Ashford's CEO exerting undue influence over (in a manner that deprives the Ashford Special Committee and Ashford's Board of their own free will and judgment), voting on or making any determination regarding Ashford's or Ashford NFP's relationship with, or compensation of, BPI after the Closing.

(e) **Ashford Special Committee.** Ashford has appointed a special committee of Ashford's Board consisting only of Voting Trustees who are not BPI Appointees (the "Ashford Special Committee"). The Ashford Special Committee has been authorized to: (i) engage experts and advisors as it deems necessary and appropriate to advise in all matters relating to the proposed Nonprofit Conversion, including financial matters; (ii) negotiate the Nonprofit Conversion on behalf of Ashford, including budgets and financial terms, as well as all terms and conditions of the Services Agreement, for the purpose of assuring the independence and financial viability of Ashford University following the Nonprofit Conversion; (iii) obtain third-party independent valuation(s) regarding the value of the services to be provided to Ashford under the Services Agreement and the value of all property and operations to be transferred or deemed to be transferred in the Nonprofit Conversion (the "Ashford Valuation"); and (iv) deliberate and vote on whether to recommend the approval of the Nonprofit Conversion to Ashford's Board. If the Ashford Special Committee recommends the approval of the Nonprofit Conversion to Ashford's Board, or as otherwise deemed necessary or advisable by the Ashford Special Committee in order to carry out its responsibilities in connection with evaluating and negotiating the Nonprofit Conversion, the Ashford Special Committee may provide Ashford's Board (including, without limitation,

the BPI Appointees and Ashford's CEO) with (1) access to advisors and experts retained by Ashford, and (2) copies of (A) Transaction Agreements, (B) the Ashford Valuation and reports of advisors and experts retained by Ashford, and (C) a written summary of (x) the terms of the Nonprofit Conversion and Services Agreement, (y) material issues that were the focus of negotiations with BPI, and (z) key factors in favor of and opposed to the Nonprofit Conversion considered by the Ashford Special Committee.

(f) Ashford's Approval Process. If the Ashford Special Committee recommends the approval of the Nonprofit Conversion to Ashford's Board in accordance with **Section 1(e)**, Ashford's Board will conduct the following deliberations and votes on whether to approve the Nonprofit Conversion: (i) one round of deliberations and voting by just the Voting Trustees who are not BPI Appointees, which vote will determine whether or not Ashford formally approves the Nonprofit Conversion; and (ii) if determined to be necessary or appropriate in order to obtain U.S. Department of Education approval, or any other Required Regulatory Approvals, a second round of deliberations and voting by all Voting Trustees who are Independent (the "All Trustee Deliberation and Vote"). For the avoidance of doubt, no Trustee shall be deemed to not be Independent for purposes of determining eligibility to participate in any All Trustee Deliberation and Vote merely because he or she was a BPI Appointee or because BPI paid such Trustee's board and committee service stipends or fees on behalf of Ashford.

(g) Compensation of Trustees. Effective immediately Ashford will be responsible for directly paying Trustees for their board and committee stipends and fees, which historically have been paid by BPI on Ashford's behalf (the amounts of which have historically been determined by Ashford's Board (not BPI) and the costs of which have historically been reimbursed to BPI by Ashford under the terms of the support services agreement in place between Ashford and BPI as of the date hereof). The amount of board and committee stipends and fees paid to the Trustees for their board and committee service (including, without limitation, fees for service on the Ashford Special Committee) during the pendency of the Nonprofit Conversion and thereafter will be exclusively determined by Ashford's Board (not BPI); provided, however, that pre-Closing Trustee compensation must be within the general parameters agreed to in the Transaction Budget (as defined in **Section 2(b)** below).

(h) Composition of Ashford's Board. The Parties agree to maintain the composition and committee memberships of Ashford's Board at all times prior to Closing in accordance with Ashford's Operating Agreement.

(i) Service on Ashford NFP Board. It is expressly agreed that nothing in these Rules shall in any way prohibit a Trustee, based solely on his or her status as a Trustee, from serving on the governing board of Ashford NFP or any other nonprofit entity established by Ashford into which entity Ashford or Ashford NFP are merged for purposes of consummating the Nonprofit Conversion; provided, however, that prior to Closing, these Rules shall apply to the service of the Trustees on such governing boards to the same extent as they apply to the service of the Trustees on Ashford's Board.

(j) Adoption of Conflict of Interest Policy. Ashford's Board agrees to use commercially reasonable efforts to cause Ashford NFP to, prior to Closing, adopt a conflict of interest policy that is generally consistent with conflicts of interest policies utilized by nonprofit universities that are substantially similar to Ashford University.

(k) Requirements for New Trustees. Prior to Closing no new trustees will be appointed or elected to Ashford's Board unless (i) such action is permitted under Ashford's Operating Agreement; and (ii) each such new trustee has entered into a written joinder agreement, in form and substance satisfactory to BPI and Ashford, agreeing to be bound by and subject to these Rules in all respects.

2. Agreements of BPI.

(a) Based on BPI's desire to establish these Rules to enable the negotiations and consummation of the Nonprofit Conversion free from conflicts of interest, notwithstanding anything to the contrary contained in Ashford's Operating Agreement, and to the fullest extent permitted by applicable law, BPI hereby irrevocably: (i) directs Ashford, the Trustees, and Ashford's CEO to, in all matters relating

to the Nonprofit Conversion and the operation of Ashford University after the Closing, to disregard the interests of BPI and its shareholders and to consider solely the interests of Ashford, Ashford University and its students; (ii) agrees that the good faith exercise by Ashford's Board of the responsibilities to act on behalf of Ashford as set forth in **Section 1** and as directed under the preceding clause (i) shall not constitute a breach of any fiduciary or other duty owed by any Trustee to Ashford or BPI, and all such duties are hereby waived, and (iii) without in any way limiting any other rights to indemnification provided by contract or under applicable law, agrees to indemnify and hold harmless each Trustee from any and all costs, expenses, liabilities and other losses (including, without limitation, reasonable attorneys' fees) that may be incurred by such Trustee in connection with carrying out his or her duties under these Rules, his or her service as a Trustee or otherwise in connection with the Nonprofit Conversion, except to the extent caused by such Trustee's own bad faith, gross negligence or willful misconduct.

(b) BPI shall not dividend, sweep or in any other way distribute to itself cash from Ashford to an extent that would leave Ashford with insufficient funds to meet its obligations to operate its educational institution and implement these Rules and evaluate, negotiate, consummate, and fund the Nonprofit Conversion, subject to a general transaction budget to be mutually agreed to by BPI and the Ashford Special Committee (the "**Transaction Budget**").

(c) BPI represents that, to its actual Knowledge, each Voting Trustee is Independent as of the date of these Rules.

3. **Confidentiality.** The Parties shall hold, and shall use their best efforts to cause their respective representatives to hold, in confidence and not use any and all information, whether written, oral or in electronic form, concerning these Rules or the Nonprofit Conversion, except (i) as expressly provided in these Rules, (ii) as reasonably necessary for the administration and governance of BPI and Ashford (as the case may be) in accordance with these Rules, (iii) as reasonably necessary for the evaluation, negotiation and consummation of the Nonprofit Conversion, (iv) as deemed necessary to be disclosed to any regulatory entity in connection with the Nonprofit Conversion, including, without limitation, disclosures under applicable securities laws and disclosures to the IRS in connection with the application for recognition of tax-exempt status for Ashford NFP or an entity established by Ashford for the purpose of obtaining tax-exempt status, and/or (v) with respect to information generally available to the public through no fault of the disclosing Party or any of its respective affiliates or representatives. If any Party or any of its affiliates or representatives are compelled to disclose any information by judicial or administrative process or by other requirements of applicable law that it is otherwise bound to keep confidential by the terms of these Rules, the disclosing Party shall promptly notify BPI and Ashford in writing and shall disclose only that portion of such information which the disclosing Party is advised by their counsel in writing is legally required to be disclosed; *provided that, if requested, the disclosing Party shall reasonably cooperate with BPI's efforts, if any, to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.* For the avoidance of doubt, the existence and terms of these Rules will be treated as the confidential information subject to the restrictions set forth in this **Section 3**. The Parties acknowledge their ongoing obligations under the Common Interest Agreement effective as of January 1, 2018 by and between Ashford and BPI (the "**Common Interest Agreement**").

4. **Termination; Survival.** These Rules shall remain in effect until the earlier of (a) the Closing; and (b) written notice from BPI or Ashford that it is no longer interested in pursuing the Nonprofit Conversion. This **Section 4** together with **Section 2(a) (Agreement of BPI)** (solely with respect to actions taken prior to termination of these Rules), **Section 3 (Confidentiality)**, and **Section 5 (Miscellaneous)** shall survive any termination of these Rules.

5. **Miscellaneous.**

(a) **Severability.** If any term or provision of these Rules is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of these Rules or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the Parties shall

negotiate in good faith to modify these Rules so as to give effect to the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby will be consummated as originally contemplated to the greatest extent possible.

(b) **Entire Agreement.** These Rules together with the Common Interest Agreement and Ashford's Operating Agreement constitute the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersede all prior and contemporaneous representations, warranties, understandings and agreements, both written and oral, with respect to such subject matter. Notwithstanding any provision of this Agreement to the contrary other than **Section 2(a)**, (i) BPI reserves all rights and remedies under Ashford's Operating Agreement; and (ii) in the event of any conflict or inconsistency between the terms and conditions of these Rules and those of Ashford's Operating Agreement, the terms and conditions of Ashford's Operating Agreement shall control and govern the rights and obligations of the Parties, except that **Section 2(a)** shall govern and control the rights and obligations of the Parties with respect to the matters addressed in **Section 2(a)**.

(c) **Binding Effect.** These Rules shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign its rights or obligations hereunder without the prior written consent of BPI, Ashford and a majority of the Trustees not designated by BPI. No assignment shall relieve the assigning Party of any of its obligations hereunder.

(d) **Notices.** Notices under these Rules shall be in writing and shall be effective when hand-delivered or sent by e-mail, mail or courier to the most recent address of the Parties on file with Ashford University.

(e) **Amendment and Modification.** These Rules may only be amended, modified or supplemented by an agreement in writing signed by BPI, Ashford and a majority of the Trustees who are not BPI Appointees; *provided, however*, that the Parties hereby agree to approve any amendments or modifications to these Rules that (a) are necessary for the Nonprofit Conversion to be consummated in accordance with all applicable laws; (b) is required or requested by any educational agency as a condition to approving the Nonprofit Conversion; or (c) is reasonably required or requested by the IRS as a condition to granting tax-exempt status under Section 501(c)(3) of the Code to Ashford NFP or another entity established by Ashford for the purpose of obtaining tax-exempt status.

(f) **Waiver.** No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from these Rules shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

(g) **Governing Law; Submission to Jurisdiction.** These Rules shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction). Any legal suit, action or proceeding arising out of or based upon these Rules or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of California in each case located in the city of San Diego and county of San Diego, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to the most recent address of such Party on file with Ashford University shall be effective service of process for any suit, action or other proceeding brought in any such court. The Parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(h) **Specific Performance.** The Parties agree that irreparable damage would occur if any provision of these Rules were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

(i) **Counterparts.** These Rules may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of these Rules delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of these Rules.

[Signature Page Follows]

Strictly Confidential

IN WITNESS WHEREOF, the Parties hereto have caused these Rules to be executed as of the date first written above.

ASHFORD UNIVERSITY, LLC

By 
Name: President/CEO
Title: Craig D. Swenson

BRIDGEPOINT EDUCATION, INC.

By _____
Name:
Title:

ASHFORD'S BOARD:

Dr. Gregory L. Geoffroy

Mary Jo Maydew

Colonel Paul Aguirre

Dr. Leila González Sullivan

Dr. Grey Edwards Jr.

Dr. Merle W. Harris

Dr. Carol Kasworm

Dr. Paula Kelly

Dr. Meredyth A. Leahy

Dr. Craig W. Linebaugh

Dr. Geri Hockfield Malandra

Dr. Peter Negroni

Cheryl Ann Oldham

Richard N. Katz

Dr. Craig Swenson,
Chief Executive Officer of
Ashford University and
non-voting *ex-officio* member
of Ashford's Board

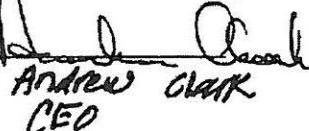
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ASHFORD UNIVERSITY, LLC

By _____
Name:
Title:

BRIDGEPOINT EDUCATION, INC.

By 
Name: *Andrew Clark*
Title: *CEO*

ASHFORD'S BOARD:

Dr. Gregory L. Geoffroy

Mary Jo Maydew

Colonel Paul Aguirre

Dr. Leila González Sullivan

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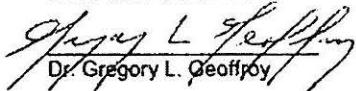
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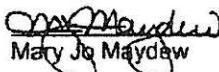
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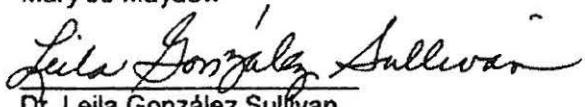
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ANTHONY S. EDWARD

Mr. Anthony S. Edwards

John Edward Edwards

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Patricia
Tale

Mary Jo Blyden

Patricia Gonzalez, Galway

Dr. Michael Hane

Dr. Barbara Kelly

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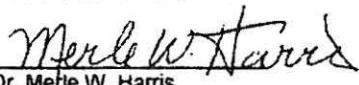
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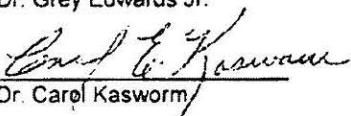
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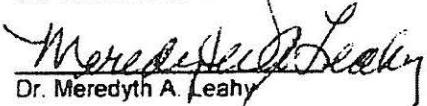
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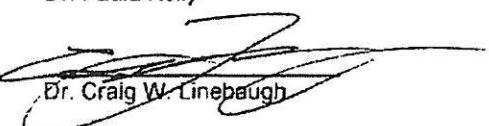
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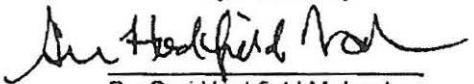
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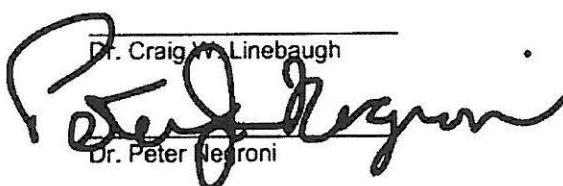
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EXHIBIT F
Conflicts of Interest Policy

[ATTACHED]

CONFLICT OF INTEREST POLICY
AU NFP

Article 1. Introduction

1.1 Guiding Principles

AU NFP (the "University") is a public benefit corporation organized under the laws of the State of California. It is the policy of the University that persons acting on behalf of the University conduct the affairs of the University in accordance with the highest legal and ethical standards and in a manner that avoids any conflict (or perceived conflict) between the personal interests of such persons and the interests of the University. No such person shall make (or participate in making) decisions on behalf of the University if his or her actual or possible economic benefit or other personal interests may interfere (or might reasonably be perceived as interfering) with such person's ability to exercise independent judgment and act in the best interests of the University.

A critical component of successfully implementing this Conflict of Interest Policy (this "Policy") is the sound, independent judgment of the persons subject to this Policy. No one set of rules can effectively anticipate all actions and circumstances that might give rise to a conflict of interest. Those persons subject to this Policy are encouraged to raise any questions about this Policy (or about any actions, circumstances or relationships that might give rise to a conflict of interest under this Policy) at any time with the University's Chief Executive Officer or any member of the Executive Committee of the University's Board of Trustees.

1.2 Purpose

The Board of Trustees has adopted this Policy:

- to assist its trustees, officers and certain other persons who make (or participate in making) decisions on behalf of the University with carrying out their respective legal and ethical duties and obligations to the University; and
- to protect the interests, reputation and integrity of the University when it is considering a compensation arrangement, business relationship or any other contractual arrangement or financial transaction that might benefit the personal interests of any person subject to this Policy or might result in the creation of a possible "excess benefit transaction" under Section 4958 of the Internal Revenue Code of 1986, as amended and the Department of Treasury Regulations promulgated thereunder.

Article 2. Definitions

2.1 Compensation

The term "compensation" means direct and indirect remuneration (including, without limitation, salary, consulting fees, board fees and royalty payments) and any gifts, favors and other benefits that are not insubstantial. For such purposes, a gift, favor or other benefit with a fair market value of not more than \$50 is presumed to be insubstantial and not material. Reasonable compensation for service on the University's Board of Trustees shall not give rise to a conflict of interest.

2.2 Committee

The term "Committee" means a committee to which the Board of Trustees delegated the power or authority to evaluate or consider a given Transaction.

2.3 Family Member

The term "Family Member" means, with respect to any person, (a) the spouse of such person or any sibling thereof, (b) any ancestor or descendant of such person or such person's spouse (including children, grandchildren, great grandchildren, and spouses of children, grandchildren, and great grandchildren, in each case, whether adopted or natural offspring), (c) any sibling of such person or any spouse thereof and (d) any other person who lives in the same household as such person. For the purposes of the preceding sentence, the term "spouse" shall include a civil or domestic partner.

2.4 Fiduciary

The term "Fiduciary" means any trustee, officer, member of a Committee or any other person (or class of persons) the Board of Trustees from time to time determines may be necessary or appropriate to classify as a Fiduciary for the University's benefit.

2.5 Financial Interest

The term "financial interest" means any direct or indirect ownership or investment interest in an entity.

2.6 Material Financial Interest

The term "material financial interest" means any direct or indirect ownership or investment interest with a value in excess of \$20,000 in an entity, except for an (a) equity ownership in a publicly-traded company amounting to less than five percent (5%) (by vote, capital or income) of the total equity ownership interest in such company or (b) investment in a publicly-traded entity that invests in other publicly-traded companies (e.g., a mutual fund) so long as the interest-holder does not control such investing entity.

2.7 Transaction

The term "Transaction" means any compensation arrangement, business relationship or any other contractual arrangement or financial transaction.

Article 3. Conflict of Interest

A "conflict of interest" means any status, relationship or interest of a Fiduciary that may interfere (or could reasonably be perceived as interfering) with such Fiduciary's ability to exercise independent judgment and act in the best interests of the University. Generally, a conflict of interest exists when a person is (or may reasonably be perceived as being) in a position both to influence a decision and to directly or indirectly benefit from such decision.

The mere fact that the University has (or is considering) a Transaction (a) with an entity in which a Fiduciary or Family Member of a Fiduciary holds (or expects to hold) a financial interest or (b) a person from whom, or entity from which, any such person received (or expects to receive) compensation does

not necessarily give rise to a conflict of interest. A conflict of interest only exists if the Board of Trustees or the applicable Committee, determines, in conformity with this Policy, that such a conflict exists.

A conflict of interest, however, is presumed to arise when the University has (or is considering) a Transaction with:

- a Fiduciary or Family Member of a Fiduciary;
- an entity in which a Fiduciary or Family Member of a Fiduciary (1) holds (or expects to hold) a leadership position (e.g., director, trustee, officer, partner or the like) or (2) has (or expects to have) a material financial interest; or
- a person from whom, or entity from which, a Fiduciary or Family Member of a Fiduciary (1) received compensation from such person or entity of more than \$5,000 in any 12-month period during the past three years or (2) expects to receive such level of compensation from such person or entity in the future.

Article 4. Procedures

4.1 Duty to Disclose

Each Fiduciary shall disclose to the Board of Trustees all actual or possible conflicts of interest on at least an annual basis (and prior to assuming the duties of his or her office) by completing, executing and delivering an Annual Conflict of Interest Disclosure Statement to either the Chair of the Board of Trustees or the University's Chief Executive Officer.

Each Fiduciary also must disclose to the Board of Trustees and any applicable Committee all actual or possible conflicts of interest as they arise if relevant to any Transaction then being considered (or expected to be considered) by the Board of Trustees or such Committee by completing, executing and delivering a Transactional Conflict of Interest Disclosure Statement to either the Chair of the Board of Trustees or the University's Chief Executive Officer.

This policy shall be provided to each Fiduciary annually. Both an Annual Conflict of Interest Disclosure Statement and a Transactional Conflict of Interest Disclosure Statement shall be submitted in substantially the same form as the instrument attached to this Policy as Exhibit A (or such other form as the Board of Trustees shall from time to time determine appropriate). Each Fiduciary has an ethical responsibility and duty to disclose any actual or apparent conflicts of interest.

The fact that no improper conduct or actual undue influence may result from a conflict of interest does not exempt a Fiduciary from disclosing the conflict and otherwise complying with this Policy.

4.2 Determining Whether an Actual Conflict Exists

After a Fiduciary discloses any actual or possible conflict of interest and all material facts relevant to such actual or possible conflict of interest, the other disinterested members of the Board of Trustees or the applicable Committee shall determine, by vote of a majority of disinterested Trustees present at a meeting with quorum, whether an actual conflict of interest exists. Such Fiduciary shall be excluded from participating in any deliberations or determinations regarding such matter in accordance with the provisions of Section 4.4.

4.3 Transactions Involving a Conflict

If the Board of Trustees or the applicable Committee determines, in conformity with this Policy, that a Fiduciary has an actual conflict of interest with respect to any Transaction under consideration by the Board of Trustees or such Committee the following shall apply:

4.3.1. Exclusion of Fiduciary

Such fiduciary shall be excluded from participating in any deliberations or determinations regarding such Transaction in accordance with Section 4.4.

4.3.2. Consideration by Disinterested Board

The disinterested members of the Board of Trustees or such Committee shall first consider whether the University can obtain with reasonable efforts a more advantageous alternative Transaction from a person or entity that would not give rise to a conflict. The chairperson of the Board of Trustees or such Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed Transaction. If such an alternative Transaction is not available, the disinterested members of the Board of Trustees or such Committee shall determine, in accordance with Section 5.8.3 of the University's Bylaws, whether the original Transaction is in the University's best interest, for its own benefit, and whether it is fair and reasonable to the University based on the totality of the relevant circumstances. In conformity with the above determination, the disinterested members of the Board of Trustees or such Committee shall make its decision as to whether to enter into such Transaction.

4.4 Exclusion Procedures

Whenever a Fiduciary is excluded under any provision of this Policy from participating in any deliberations or determinations with respect to any matter or Transaction under consideration by the Board of Trustees or a Committee, such Fiduciary shall: (1) abstain from any vote; (2) recuse himself or herself from any discussion (other than as the Board of Trustees or such Committee deems necessary for informational purposes); (3) not attempt to influence the decision of the Board of Trustees or such Committee with respect to such matter; and (4) be excluded from any meeting, or portion of any meeting, during which such matter is being deliberated or voted on.

4.5 Violations of the Conflict of Interest Policy

If a Fiduciary has reasonable cause to believe that another Fiduciary has an actual or possible conflict of interest that has not been disclosed, such Fiduciary shall take appropriate steps to address the matter. This may include communicating directly with the other Fiduciary or, if that is ineffective, bringing the matter to the attention of the Board of Trustees or the applicable Committee.

If the Board of Trustees or any applicable Committee has reasonable cause to believe a Fiduciary has failed to disclose an actual or possible conflict of interest with respect to any Transaction, it shall inform such Fiduciary of the basis for such belief and afford such Fiduciary an opportunity to explain the alleged failure to disclose. If, after hearing such Fiduciary's response and after making further investigation as warranted by the circumstances, the Board of Trustees or such Committee determines such Fiduciary

has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article 5. Records of Proceedings

The minutes of proceedings involving the Board of Trustees and all Committees shall be recorded and shall contain:

- The names of the persons who disclosed (or were otherwise found to have) an actual or possible conflict of interest in connection with any decision made (or to be made) by the Board of Trustees or Committee, the nature of the actual or possible conflict of interest, and, where relevant, any action taken by the Board of Trustees or Committee to determine whether a conflict of interest existed and the Board of Trustees or Committee's decision as to whether a conflict of interest in fact existed.
- The names of the persons who were present for discussions and votes relating to the Transaction, the content of the discussion, including any alternatives to the proposed Transaction, and a record of any votes taken in connection with the proceedings.
- The names of the persons who did not participate in any votes relating to the Transaction (i.e., recusals, absences, and abstentions) as a result of any actual or possible conflict of interest.

Article 6. Compensation

For the avoidance of doubt, the following rules regarding matters pertaining to compensation of Fiduciaries shall apply:

- A Fiduciary who receives compensation, directly or indirectly, from the University for services is precluded from voting as a member of the Board of Trustees (or any Committee whose jurisdiction includes compensation matters) on matters pertaining to such Fiduciary's compensation; provided, however, that the Board of Trustees may collectively approve the compensation paid to its members for serving in such capacity, so long as such amounts are reasonable and comparable to compensation paid by similarly-situated organizations to their trustees, as determined by an independent compensation study. Such compensation shall be set by a resolution of the full Board of Trustees and may not be delegated to a Committee.
- No Fiduciary whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the University, either individually or collectively, is prohibited from providing information to the Board of Trustees or any Committee regarding compensation.

Article 7. Confidentiality

7.1 Prohibition on Use or Disclosure of Confidential Information

Information to which a Fiduciary gains access by virtue of his or her status as a Fiduciary and which is confidential, sensitive or proprietary to the University, shall be utilized solely in connection with the Fiduciary's service as a Fiduciary, and shall not be used for any other purposes (including, without limitation, to engage, invest or otherwise participate in any outside business, project, venture or financial transaction), nor shall it be disclosed to any third party.

7.2 Treatment of Conflict of Interest Disclosures

The disclosure of any actual or possible conflict of interest by a Fiduciary and any related discussions shall be held in confidence to the fullest extent possible, but may be shared by and among the Board of Trustees, one or more of the officers of the University, the University's legal counsel and the University's outside auditors and advisors, as appropriate.

Article 8. Ethical Obligations

8.1 Legal Compliance

Each Fiduciary shall comply with, and ensure the University's compliance with, applicable laws and regulations, including the California Nonprofit Integrity Act of 2004, and report his or her concerns to the Chair of the Board of Trustees or the University's Chief Executive Officer, if it appears that any other Trustee, officer, employee or contractor of the University is not complying with applicable laws or regulations with respect to the University's business or purpose.

8.2 Actions by Fiduciaries

Each Fiduciary has an obligation to ensure the proper use of the University's assets and deal fairly with the University's staff, donors, volunteers, beneficiaries and suppliers. Any actions on behalf of the University shall be made only with the proper internal authorizations.

Article 9. Periodic Reviews

To ensure that the University operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status under Section 501(c)(3) of the Code, periodic reviews of the University's activities shall be conducted by the Board of Trustees or a duly authorized committee. The periodic reviews shall, at a minimum, include (without limitation) the following areas of possible concern:

- Whether compensation arrangements and benefits arrangements with Fiduciaries, employees and third party service providers are reasonable, based on competent market survey information, and as the result of arm's length bargaining.
- Whether partnerships, joint ventures and arrangements with third-party service providers conform to the University's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in private inurement, other impermissible private benefit, or in an excess benefit transaction.

When conducting the periodic reviews required under this Article, the University may (but need not) use outside advisors. If outside advisors are used, their use shall not relieve the Board of Trustees of its responsibility for ensuring periodic reviews are conducted in accordance with this Article.

Article 10. Miscellaneous

10.1 Gifts and Favors

No Fiduciary shall accept or encourage gifts, meals, favors or gratuities (other than those of insubstantial value) for the direct or indirect benefit of such Fiduciary or a Family Member of such Fiduciary (or any other Fiduciary or Family Member of any other Fiduciary) from any entity which, or person who, has (or seeks to have) any Transaction with the University.

10.2 Actions Not Void or Voidable

Other than rights relating to any action brought under Section 5233 of the California Corporations Code or any breach of charitable trust action under Section 5142 of the California Corporations Code, no action undertaken, or Transaction entered into, by the University, the Board of Trustees or any Committee shall be void or voidable, or may be challenged by any third party, by reason of have been undertaken or approved or entered into in violation of this Policy or its underlying principles.

10.3 Conflicts

This Policy is intended to supplement but not replace any applicable state and federal laws governing a conflict of interest applicable to nonprofit and charitable organizations, including, for the avoidance of doubt, Section 5233 of the California Corporations Code.